

MEMORANDUM

Re: **Revisions to the Olive Boulevard Commercial Corridor and Residential Conservation Redevelopment Plan** To: **City of University City TIF Commission**

Date: **May 29, 2018** From: **Andy Struckhoff**
 CC: **Gregory Rose**
Rosalind Williams

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Purpose of this Memorandum

The purpose of this memorandum is to describe substantive changes to the revised Olive Boulevard Commercial Corridor and Residential Conservation Redevelopment Plan (the “Plan”) and Redevelopment Project Area One Cost/Benefit Analysis (the “CBA”) after the initial submission of each document to the TIF Commission on April 4, 2018 and the submission of revised documents to the TIF Commission on May 15, 2018.

Redevelopment Plan Revisions

This memorandum identifies specific instances where changes represent a substantive revision to the Plan.

Page 10, Section 3 – Summary: This section was revised to read as follows:

Table 1 –Blight Analysis Summary, illustrates the blight factors observed in the Area.

Table 1
 Blight Analysis Summary
 Olive Blvd Commercial Corridor and Residential Conservation Redevelopment Area
 RPA 1 and RPA 3
 University City, Missouri

	RPA 1	RPA 3	RPA 1 & RPA3	% of Total
Parcels	99	251	350	
Existing Conditions				
Deteriorated Site Improvements	53	150	203	58%
Unsanitary and Unsafe Conditions	1	10	11	3%
Improper Subdivision and Obsolete Platting	8	17	25	7%
Defective or Inadequate Street Layout	6	0	6	2%
Total Parcels Exhibiting One or More Factors	68	177	245	70%
Total Parcel Area				68%

As Table 1, above, shows, 245 parcels, or approximately 70% of the parcels and 68% of the total parcel acreage is affected by one or more blighting factors. These figures indicate that RPA 1 and RPA

3 constitute a portion of the City which by reason of the predominance of: defective or inadequate street layout; unsanitary or unsafe conditions; deterioration of site improvements; improper subdivision or obsolete platting, or any combination of such factors, constitutes an economic liability or a menace to the public health, safety, morals, or welfare in its present condition and use. Pursuant to Section 523.274, R.S.Mo., our study concludes that a predominance of the area comprised by RPA 1 and RPA 3 is a “Blighted Area,” as defined by the TIF Act. These conditions are reflected in maps included as Exhibit C in the Appendix.

Page 15, Section 4 – Redevelopment Projects: The second bulleted section was revised to read as follows:

- **RPA 2: Redevelopment activities intended to promote residential conservation, including:**
 - **Residential property grant or loan program to fund various renovation and rehabilitation activities, including, without limitation:**
 - improvements necessary to satisfy current building and safety code requirements;
 - façade rehabilitation;
 - repair/replacement of roofs, floors, structural walls, and windows;
 - repair/replacement of electrical, plumbing, heating, and cooling systems;
 - installation of a sprinkler, fire or smoke alarm system; and
 - parking lot paving and property landscaping.
 - Completion of public improvements intended to encourage redevelopment of adjacent properties;
 - Acquisition of vacant parcels and parcels with dilapidated structures in need of renovation or demolition and clearance; and
 - Demolition, renovation and/or construction of new residential and neighborhood-level commercial buildings;

Page 19, Section 4 – Table 2 was revised to read as follows:

TABLE 2
ESTIMATED REDEVELOPMENT PLAN & PROJECT COSTS
 Olive Boulevard Commercial Corridor & Residential Conservation Redevelopment Area
 University City, Missouri

Redevelopment Plan & Project Cost Items	RPA 1	RPA 2	RPA 3	TOTAL
Building Construction (Demolition, site preparation, paving, landscaping, grading, etc.)	\$ 95,000,000	\$ -	\$ -	\$ 95,000,000
Residential and Commercial Improvement Programs (Rehabilitation, acquisition, construction, landscaping, neighborhood improvements, etc.)	\$ -	\$ 13,800,000	\$ 5,040,000	\$ 18,840,000
Land Acquisition & Relocation (Developer cost of acquisition of property and relocation of existing businesses.)	\$ 76,200,000	\$ -	\$ -	\$ 76,200,000
Soft Costs (Includes project overhead, architecture, engineering, surveying, legal, planning, consulting, bond issuance costs and financing fees, and builder's risk insurance.)	\$ 18,300,000	\$ -	\$ -	\$ -
Total Anticipated Redevelopment Plan and Project Costs	\$ 189,500,000	\$ 13,800,000	\$ 5,040,000	\$ 190,040,000

Page 23, Section 4 – Table 4 was revised to read as follows:

TABLE 4
ESTIMATED EQUALIZED ASSESSED VALUATION (EAV)
BEFORE AND AFTER REDEVELOPMENT
 Olive Boulevard Commercial Corridor & Residential Conservation
 Redevelopment Area
 University City, Missouri

Redevelopment Project Area 1	
Assessment Item	Estimated EAV (\$)
Total EAV After Redevelopment	\$ 27,406,240
Most Recent EAV Amount	\$ 6,527,970
Total Estimated Incremental Values	\$ 20,878,270

Redevelopment Project Area 2	
Assessment Item	Estimated EAV (\$)
Total EAV After Redevelopment	\$ 99,000,000
Most Recent EAV Amount	\$ 86,209,507
Total Estimated Incremental Values	\$ 12,790,493

Redevelopment Project Area 3	
Assessment Item	Estimated EAV (\$)
Total EAV After Redevelopment	29,000,000
Most Recent EAV Amount	23,220,520
Total Estimated Incremental Values	5,779,480

Attachment 2 – Boundary Description:

A description of the overall boundaries of the Redevelopment Area has been included.

Attachment 3 – Commitment Letter and Affidavit:

Attachment 3 now includes a Developer’s Affidavit from the City addressing RPA 2 and RPA 3.

Redevelopment Project Area One Cost/Benefit Analysis Revision

This analysis has been revised to reflect that the Regional Parks and Trails sales taxes (0.1% and 0.188%) are not subject to collection on grocery sales.

Redevelopment Project Area Three Cost/Benefit Analysis Revision

This analysis has been revised to reflect that the Regional Parks and Trails sales taxes (0.1% and 0.188%) are not subject to collection on grocery sales.